

§ 56.105 Accord with health planning.

A grant may be made under this part only if the applicable requirements of title XV of the Act relating to review and approval by the appropriate health planning agencies have been met.

§ 56.106 Amount of grant.

(a) The amount of any award under this part will be determined by the Secretary on the basis of his estimate of the sum necessary for a designated portion of direct project costs plus an additional amount for indirect costs, if any, which will be calculated by the Secretary either:

(1) On the basis of the estimate of the actual indirect costs reasonably related to the project; or

(2) On the basis of a percentage of all, or a portion of, the estimated direct costs of the project when there are reasonable assurances that the use of such percentage will not exceed the approximate actual indirect costs. Such award may include an estimated provisional amount for indirect costs or for designated direct costs (such as fringe benefit rates) subject to upward (within the limits of available funds) as well as downward adjustments to actual costs when the amount properly expended by the grantee for provisional items has been determined by the Secretary: *Provided, however,* That no grant shall be made for an amount in excess of the total costs found necessary by the Secretary to carry out the project.

(i) In determining the percentage of project costs to be borne by the grantee, factors which the Secretary will take into consideration will include the following:

(A) The ability of the grantee to finance its share of project costs from non-Federal sources;

(B) The need in the area served by the project for the services to be provided; and

(C) The extent to which the project will provide services in an innovative manner which the Secretary desires to stimulate in the interest of developing more effective health service delivery systems on a regional or national basis.

(ii) At any time after approval of an application under this part, the Sec-

retary may retroactively agree to a percentage of project costs to be borne by the grantee lower than that determined pursuant to paragraph (a)(2)(i) of this section where he finds that changed circumstances justify a smaller contribution.

(iii) In determining the grantee's share of project costs, costs borne by Federal grant funds, or costs used to match other Federal grants, may not be included except as otherwise provided by law or regulations.

(b) All grant awards shall be in writing, and shall set forth the amount of funds granted and the period for which support is recommended.

(c) Neither the approval of any project nor any grant award, shall commit or obligate the United States in any way to make any additional, supplemental, continuation, or other award with respect to any approved project or portion thereof. For continuation support, grantees must make separate application.

§ 56.107 Priorities for grants.

(a) Grants under sections 319(c)(1)(A), 319(d)(1)(A), 319(d)(1)(B) of the Act and subparts B, C, and D of this part shall be made in accordance with the following priorities:

(1) Highest priority will be given to approvable applications which propose to serve catchment areas in which 6,000 or more migratory agricultural workers and members of their families reside for more than two months in the calendar year.

(2) Second priority will be given to approvable applications which propose to serve catchment areas in which fewer than 6,000 but more than 1,000 migratory agricultural workers and members of their families reside for more than two months in the applicable calendar year.

(3) Third priority will be given to approvable applications which propose to serve catchment areas in which migratory agricultural workers and members of their families reside but in which fewer than 1,000 such persons reside for more than two months in the applicable calendar year.

(4) Fourth priority will be given to approvable applications which propose